

## **SECTION 6**

### **IDENTIFYING RED FLAGS (CONT'D)**

#### **OPENING OF NEW ACCOUNTS (CONT'D)**

**A. Opening of Covered Accounts for Personal, Family or Household Purposes.**

- 1. Required Information:** When a prospective Customer seeks to open a Covered Account for residential service (i.e., for personal, family or household purposes), the Company will ask for the following from the prospective Customer:

- name;
- address;
- birth date;
- an unexpired government-issued identification bearing a photograph, such as a driver's license or passport.

The Company will also encourage (but not require) Customers to establish passwords as a means of protecting against potential future Identity Theft.

The Company will encourage Customers who establish passwords not to use Readily Identifiable Biographical Information.

## **SECTION 6**

### **IDENTIFYING RED FLAGS (CONT'D)**

#### **OPENING OF NEW ACCOUNTS (CONT'D)**

##### **A. Opening of Accounts for Personal, Family or Household Purposes (Cont'd).**

###### **2. Identification Confirmation.**

- a. The Company will make a photocopy of the prospective Customer's identification, and will inspect the identification for any signs of falsification, such as:**
  - misspellings;
  - a photo that does not resemble the prospective Customer;
  - inconsistencies in color, texture or images (such as erasures or smudges);
  - raised edges around a photograph indicating the placement of a second photograph over an original photograph;
  - card wear inconsistent with date of issuance (such as an identification that appears new but bears an issuance date of many years);

## **SECTION 6**

### **IDENTIFYING RED FLAGS (CONT'D)**

#### **OPENING OF NEW ACCOUNTS (CONT'D)**

##### **A. Opening of Accounts for Personal, Family or Household Purposes (Cont'd).**

###### **2. Identification Confirmation (Cont'd).**

###### **b. Address Discrepancies.**

If a prospective Customer provides an address to the Company that does not match the prospective Customer's identification, the Company will verify the validity of the prospective Customer's address. The following are examples of methods that the Company may utilize:

- If the prospective Customer recently moved to the area, the Company will request proof of the recent move. Examples include: moving company's receipt, sticker on valid driver's license, voter registration card, utility bill, piece of mail with forwarding sticker.
- The Company may choose to order a Consumer Report with respect to the prospective Consumer as a tool to confirm identity. Before ordering a Consumer Report, the Company will obtain the prospective Customer's written approval (see Appendix 3). The Company may quiz the prospective Customer regarding non-public information contained therein. The Company may also choose to employ the services of a third-party Identity Theft detection agent.

- c. The Company will create a record of the means used to verify a Customer's identity. The Company will retain such record until 5 years after the Account is closed. Upon disposal, the Company will completely destroy the record.

## **SECTION 6**

### **IDENTIFYING RED FLAGS (CONT'D)**

#### **OPENING OF NEW ACCOUNTS (CONT'D)**

**B. Opening of Business Accounts.**

For a prospective business Customer, the Company will require documents to verify the existence of the business. Such documents may include:

- Articles of Incorporation or Articles of Limited Liability Company and evidence of filing of same with the Michigan Department of Labor and Economic Growth.
- Partnership agreement.
- Trust instrument.
- Federal Tax ID document

A sole proprietorship may use an "assumed name" document filed with the Department of Labor and Economic Growth, or the personal information of the sole proprietor.

## **SECTION 6**

### **IDENTIFYING RED FLAGS (CONT'D)**

#### **OPENING OF NEW ACCOUNTS (CONT'D)**

- C. Examples of Red Flags in the Opening of New Accounts.**
- 1. Suspicious Documents and Personal Identifying Information.**
    - a. Information on the identification is inconsistent with information provided by the person opening a new Covered Account.**
    - b. Information on the identification is inconsistent with readily accessible information, such as a signature on a check.**
    - c. Documentation that appears to have been altered or forged, or gives the appearance of having been destroyed and reassembled.**
    - d. An address not matching any address in a Consumer Report;**
    - e. Documents provided for identification appear to have been altered or forged (discussed above).**

## **SECTION 6**

### **IDENTIFYING RED FLAGS (CONT'D)**

#### **OPENING OF NEW ACCOUNTS (CONT'D)**

- C. Examples of Red Flags in the Opening of New Accounts (Cont'd).
  - 2. Unusual Use of, or Suspicious Activity Related to, the Covered Account.
    - a. A Covered Account is used in a manner inconsistent with established patterns of activity, such as a material change in telephone local and toll calling patterns;
    - b. Usage of a Covered Account that has been inactive for a reasonably lengthy period of time.
    - c. A Customer advises that the Customer is not receiving monthly bills from the Company.
    - d. A Customer advises of unauthorized charges or transactions in connection with a Covered Account.
  - 3. The Company receives notice from a Customer, a victim of Identity Theft, law enforcement, or any other person that it may have opened an Account for a person engaged in Identity Theft.

## **SECTION 6**

### **IDENTIFYING RED FLAGS (CONT'D)**

#### **OPENING OF NEW ACCOUNTS (CONT'D)**

**C. Examples of Red Flags in the Opening of New Accounts (Cont'd).**

**4. If the Company uses a Consumer Report—**

- a. The report contains a fraud or active duty alert.
- b. A consumer reporting agency provides a notice of credit freeze in response to a request for a Consumer Report.
- c. A consumer reporting agency provides a Notice of Address Discrepancy.
- d. A Consumer Report indicates a pattern of activity inconsistent with the history and usual pattern of activity of a prospective Customer.
- e. A recent and significant increase in the volume of inquiries.
- f. An unusual number of recently established Credit relationships.
- g. A material change in the use of Credit, especially with respect to recently established Credit relationships.
- h. The social security number is associated with a deceased person.

If a Consumer Report specifies a telephone number to be used for identity verification purposes, the Company will contact the consumer using the specified telephone number.

## **SECTION 6**

### **IDENTIFYING RED FLAGS (CONT'D)**

#### **PROTECTION OF EXISTING ACCOUNTS**

The Company has policies and procedures in place to safeguard customer proprietary network information (CPNI). The Company will continue to utilize its CPNI policies procedures as a safeguard against unauthorized access to Customer CPNI, including pre-texting. Pre-texting is the practice of obtaining call record detail and other CPNI under false pretenses. The Company also monitors suspicious transactions, and verifies change of address requests in accordance with its CPNI Compliance Manual.

The Company updates its Manual to account for changes in law, and it contains all essential information and forms to ensure the Company's compliance with CPNI regulations.

The Company will continue to follow its CPNI Compliance Manual as a means of preventing Identity Theft. The Company will also continue to improve its Identity Theft Prevention Program based on its experience with past incidents of Identity Theft, and new methods of committing Identity Theft of which it becomes aware.

The Company treats the following as Red Flags—

- Alerts, notifications, or other warnings from consumer reporting agencies or Service Providers;
- Suspicious address changes;
- The unusual use of, or other suspicious activity related to, a covered Account; and
- Notice from Customers, victims of Identity Theft, law enforcement authorities, or other persons regarding possible Identity Theft in connection with a Covered Account.



## **SECTION 7**

### **PREVENTING AND MITIGATING IDENTITY THEFT**

The Company will respond appropriately when it detects a Red Flag. In determining how to respond, the Company will consider aggravating factors that may heighten the risk of Identity Theft.

Appropriate responses include one or more of the following depending on the circumstances:

- Monitoring a Covered Account;
- Contacting the Customer;
- Changing passwords or security codes that permit access to a Covered Account;
- Reopening a Covered Account with a new account number;
- Declining to open a Covered Account for a prospective Customer;
- Closing an existing Covered Account (in accordance with Michigan Public Service Commission rules, if applicable);
- Not collecting on a Covered Account; or
- Notifying law enforcement (see Section 10 of CPNI Compliance Manual).

## **SECTION 8**

### **UPDATING THE IDENTITY THEFT PREVENTION PROGRAM**

The Company will update this Program periodically to reflect changes in risks to Customers or to the safety and soundness of the Company from Identity Theft.

In updating this Program, the Company will consider the following:

- The Company's experiences with Identity Theft.
- Changes in methods with which Identity Theft is committed.
- Changes in methods to detect, prevent, and mitigate Identity Theft.
- Changes in the types of Accounts that the Company offers or maintains.
- Changes in the Company's business arrangements, such as mergers, acquisitions, alliances, joint ventures, and Service Provider arrangements.

## **SECTION 9**

### **ANNUAL REPORT**

The Company will designate a person to be responsible for preparing an Annual Report to the Board of Directors, appropriate committee of the Board, or a designated senior-level manager.

The Annual Report will address at least the following:

- The effectiveness of the Company's policies and procedures in addressing the risk of Identity Theft in connection with the opening of Covered Accounts.
- The effectiveness of the Company's policies and procedures in addressing the risk of Identity Theft with respect to existing Covered Accounts.
- Arrangements with Service Providers.
- Significant incidents involving Identity Theft and management's response.
- Recommendations for material changes to the Company's Identity Theft Prevention Program.

The Annual Report will be in a format similar to that contained in Appendix 1.

## **SECTION 10**

### **SERVICE PROVIDERS**

To the extent that the Company engages a Service Provider to perform an activity in connection with one or more Covered Accounts, the Company will ensure that the Service Provider has its own Identity Theft Prevention Program to detect and address Red Flags.

The Company is ultimately responsible for complying with Red Flag rules even if it outsources Account-related activity to a Service Provider.

## **SECTION 11**

### **USE OF CONSUMER REPORTS**

To the extent that the Company uses Consumer Reports in the opening of a new Covered Account, it will comply with this Section 11.

If the Company receives a Notice of Address Discrepancy from a consumer reporting agency, the Company must form a reasonable belief that the Consumer Report relates to the prospective Customer about whom it has requested the report.

The Company will do one or more of the following to determine whether it has a reasonable belief that the Consumer Report relates to the prospective Customer about whom it has requested the report:

- Compare the information in the Consumer Report with information the Company uses to verify the prospective Customer's identity.
- Compare the information in the Consumer Report provided by the consumer reporting agency with information the Company obtains from third-party sources.
- Verify with the prospective Customer.

## **SECTION 11**

### **USE OF CONSUMER REPORTS (CONT'D)**

If the Company has reasonably confirmed that an address relates to the prospective Customer about whom it has requested the report, it must furnish the address for the prospective Customer to the consumer reporting agency from whom it received the Notice of Address Discrepancy.

## **SECTION 12**

### **DISCIPLINARY ACTION**

Any failure to follow this Manual will result in appropriate disciplinary action in accordance with established Company disciplinary policies. Such failures shall be treated as a serious offense, and may result in suspension or termination of employment in appropriate cases. The Company will also require additional training to ensure future compliance.

# **APPENDIX 1**

## **ANNUAL REPORT FORM**

**To be completed by the Board of Directors,  
appropriate committee of the Board of Directors,  
or a designated senior-level manager.**



# **ANNUAL REPORT FOR HIAWATHA COMPANY'S**

This Annual Report constitutes Hiawatha Company's obligation under the Federal Trade Commission's (FTC) regulations and guidelines, 16 CFR Part 681, to produce an Annual Report to address the Company's compliance with the FTC's Red Flag regulations.

## **1. Effectiveness of Policies and Procedures**

### **a. Opening of Covered Accounts**

The Company provides the following report regarding the effectiveness of the Company's policies and procedures in addressing the risk of Identity Theft in connection with the opening of Covered Accounts:

### **b. Existing Covered Accounts**

The Company provides the following report regarding the effectiveness of the Company's policies and procedures in addressing the risk of Identity Theft in connection with existing Covered Accounts:

## **2. Arrangements with Service Providers**

The Company does not outsource some services to third party Service Providers related to Covered Accounts. [If the Company "does," list them and state:] The Company has taken the following measures to ensure that its Service Provider(s) have Identity Theft Prevention Program(s) to detect and address Red Flags:

## **3. Significant Incidents Involving Identity Theft**

The Company reports the following significant incidents involving Identity Theft and management's response:

## **4. Recommendations for Material Changes to the Program**

The Company should consider the following changes to its Identity Theft Prevention Program.

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Jay Brogan  
President and CEO  
Dated: \_\_\_\_\_

## **APPENDIX 2**

# **EMPLOYEE VERIFICATION OF RED FLAG COMPLIANCE MANUAL REVIEW**

## **Employee Verification**

**Employee Name:**

I have reviewed the Company's Red Flag and Address Discrepancies Compliance Manual and Operating Procedures and agree to comply with the procedures set forth therein.

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**Employee Signature**

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**Date**

## **APPENDIX 3**

# **SAMPLE FORM FOR CREDIT REPORT AUTHORIZATION**

## CREDIT REPORT AUTHORIZATION AND RELEASE

Authorization is hereby granted to \_\_\_\_\_ (Company) to obtain a standard factual data credit report through a consumer credit reporting agency chosen by Company.

\_\_\_\_\_  
Social Security Number

\_\_\_\_\_  
Date of Birth

\_\_\_\_\_  
Last Name

\_\_\_\_\_  
First Name

\_\_\_\_\_  
M.I.

\_\_\_\_\_  
Street

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
Zip Code

\_\_\_\_\_  
Phone Number

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Received & Inspected

OCT 29 2013

FCC Mail Room

## Customer Privacy Materials

## Annual Customer Do-Not-Call Notification

To address consumer concerns about unwelcome telemarketing calls, the Federal Communications Commission (FCC) and Federal Trade Commission (FTC) have established a national Do-Not-Call Registry. The registry applies to all telemarketers (with the exception of certain non-profit and political organizations) and covers both interstate and intrastate telemarketing calls. Commercial telemarketers are not allowed to call you if your number is listed on the registry.

You can register your phone number for free, and it will remain on the national Do-Not-Call Registry for five years. You may re-enter your number onto the list when the five years have passed, and you may remove your name from the list at any time. The Do-Not-Call Registry will not prevent all unwanted calls. It does not cover the following:

- Calls from organizations with which you have established a business relationship;
- Calls for which you have given prior written consent;
- Calls which are not commercial or do not include unsolicited advertisements;
- Calls by or on behalf of tax-exempt non-profit organizations.

Consumers may register their residential telephone number, *including wireless numbers*, on the national Do-Not-Call Registry at no cost by telephone or on the Internet. To register by telephone, consumers may call 1-888-382-1222. For TTY call 1-866-290-4236. You must call from the phone number you wish to register. You may also register by Internet at [www.donotcall.gov](http://www.donotcall.gov). Inclusion of your telephone number on the national Do-Not-Call Registry will be effective three months following your registration.

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*Mass of Native Copper as depicted in Schoolcraft's  
"Narrative Journal of Travels Through the Northwestern Regions of the US"  
from the Governor Cass expedition, 1820. Boulder exhibited in Detroit in 1843.  
Boulder acquired and archived by the Smithsonian Institute.*

**Serving:**

Bruce Crossing  
Covington  
Ewen  
Golden Lake  
Greenland  
Kenton  
Mass City  
Ontonagon

Paulding  
Rockland  
Sidnaw  
Silver City  
Trout Creek  
Watton  
White Pine

**Additional Listings for:**

Bergland  
Watersmeet  
L'Anse / Baraga Area  
Donken/Twin Lakes Area  
Ironwood Area Businesses  
Houghton/Hancock Businesses



Providing Local, Long Distance & High-Speed Internet to the western U.P.  
Visit us online at [www.jamadots.com](http://www.jamadots.com).





## RIGHTS AND RESPONSIBILITIES OF RESIDENTIAL TELEPHONE CUSTOMERS

### Hearing procedures

If we can't resolve your complaint, you can request that the matter go before a Utility Hearing Officer or you may call the Consumer Services Division of the Michigan Public Service Commission. They can be contacted toll free at 800-292-9555. The hearing officer will be an impartial person assigned to hear and resolve disputes between the telephone company and the customer, who may be represented or assisted by a person of his choice. The hearing officer's actions are subject to review by the MPSC.

If a hearing concerns the amount of a bill, you are required to pay the telephone company that portion of the bill not in dispute. If the amount cannot be mutually agreed on, you may be required to pay one half of the entire disputed bill within three days of the date you requested a hearing. However, the total amount would be limited to no more than \$100 per billing period. Failure to make such payment waives your right to a hearing and collection action will continue.

If you request a hearing within the prescribed time period, and if the complaint involves the possible disconnection of telephone service, service will not be disconnected pending the outcome of the hearing.

You will be notified of the date, time and place of the hearing at least 10 days before the hearing. If you fail to appear without due cause or prior request for adjournment, you give up your right to the hearing and collection action will continue.

### Disconnection Of Service

At least 10 days before telephone service is to be disconnected, a notice will be sent by first class mail or will be personally served.

Your telephone service is subject to disconnection for any of the reasons listed below.

1. Nonpayment of telephone bills.
2. Failure to post a security deposit.
3. Tampering with telephone service.
4. Failure to comply with the terms of a settlement agreement.
5. Refusal to allow telephone company personnel access to telephone company equipment installed on your premises.

6. Misrepresentation of your identity to obtain service.
7. Improper use of party line service.
8. Violation of any other approved rules of the telephone company.

When the matter is resolved, telephone service will be restored as promptly as possible. There will be a reconnection charge for restoring telephone service and a deposit may be required.

### Medical Emergencies

If a medical emergency exists, disconnection may be delayed for a period of up to 21 days when you present a notice from a physician, public health or social services official identifying the emergency and specifying the period of relief required.

### Notification of 900 Consumer Rights

The enclosed consumer rights are provided under the Federal Telephone Disclosures and Dispute Resolution Act.

You should not be billed for 900 Pay-Per-Call services not offered in compliance with Federal Laws and Regulations.

You have 60 days from the date of a bill to dispute a 900 billing error on that bill. You have the right to withhold payment of the disputed 900 charges during the billing error review.

If you orally communicate an allegation of a billing error via the toll free number on the 900 bill page, it will be considered sufficient notification of a billing error.

No collection activity for disputed 900 charges will occur while the charges are under investigation. After investigation, if it is determined that the disputed 900 charges are legitimate, AT&T or the information provider may proceed with outside collections against your account for non-payment of these charges.

Your local and long distance service cannot be disconnected for non-payment of 900 charges.

Voluntary blocking of access to 900 service is available upon request from your local exchange carrier.

The billing entity forfeits the amount of any telephone billed purchase up to \$50.00 per transaction if it fails to comply with the Rules Billing Error Resolution Requirements.



## NEW CUSTOMER DISCLOSURE

### Purpose

This disclosure sums up the rights and responsibilities of customers and your local telephone company in regard to basic residential telecommunications service.

Those are reflected in the billing standards adopted by the Michigan Public Service Commission (MPSC) in Case No. U-11043 on June 18, 1996. This brochure provides only a summary of those standards. In all such matters, the full standards adopted by the MPSC will apply and serve as the controlling language.

### Applicability

The rules described in this brochure apply only to basic residential telecommunications service. Residential service is furnished primarily for personal or domestic purposes at the customer's home.

### Availability of Residential Services

Your local telephone company will provide service to everyone, regardless of religion, race, color, national origin, age, sex, marital status, height, weight, conviction record, or handicap.

However, the company is not required to provide service to a household under any name if an outstanding bill exists at the address and the person responsible for that bill still lives at the address. People applying for service will be required to provide identification that can be readily and inexpensively verified.

### Free Access to Rates, Charges, and Rules

The company will give its customers access to its rates and service charges for basic residential telecommunications services. It also will give them access to the MPSC's billing standards. Each customer who asks for these documents will get one free copy of these rates, charges, and standards.

### Deposits and Prepayments

No deposit will be required to get basic local service, unless the potential applicant refuses to provide identification that can be readily and inexpensively verified or if that person has a history of payment default for telecommunications service within the past five years. If a deposit is required, it will not be more than \$150 per line. Before providing service, the company may require a prepayment. The prepayment may equal the charges for basic local service for one billing period.

### Billing and Payment Standards

Each customer will get a bill for each billing cycle and the bill will arrive on or about the same day of each billing cycle. The due date will be on the bill. A bill will be considered delinquent if it has not been paid for more than a day past the bill due date.

Unless the customer provides other instructions, any partial payment that the company gets for a bill will be credited first against the amount due for basic local exchange service and regulated toll service.

### Bill Information

The bill will contain all the information necessary for a customer to determine the accuracy of the bill, including; the billing period, the due date, the telephone number for the bill, any previous balance, the total amount due for basic local service and regulated toll service, an itemized statement of all taxes due, and the total amount due.

The bill will have the telephone number and address of the company where the customer may call and ask questions about the bill or ask for an investigation or make an informal complaint.

### New Services and Changes in Service

When a customer orders a new service or makes a change in existing services that result in a billing change, the company will send the customer a written itemized statement of the services ordered, including all associated charges.

A customer shall have the right, within one billing period of receiving a bill for new services or changed services, to cancel, reduce, or change a service without further service charge.

### Informal and Formal Complaints

The company will handle informal customer complaints about basic local service in a timely and efficient manner and to the satisfaction of both the customer and the company.

If an informal resolution cannot be reached, the customer may file a formal complaint with the Michigan Public Service Commission. (That complaint would be filed under Section 203 of the Michigan Telecommunications Act and Part 7 of the MPSC's Billing Standards for Basic Residential Telecommunications Service.)

The complaint must contain all the information, testimony, exhibits or other documents and information that a customer intends to use to support the complaint. If a formal complaint is filed with the MPSC, the company may require the customer to pay the part of the bill that is not in dispute.